



Wyoming Lender Alert

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Steven Despain, District Director

Making a Difference for Small Business in Wyoming

Wyoming Partnership Challenge Loan Program Guaranteed Loan Participation

The 2005 Wyoming Legislature enacted a bill that will create another option to the Wyoming Partnership Challenge Loan Program. The primary change will allow the State of Wyoming to partner with a commercial lender on loans that have a Federal Guarantee (e.g. SBA) so that combined loan proceeds assist a business "third party loan recipient".

The following are the key points of the legislation.

- The Applicant is a local Commercial Lender
- The loan must have a Federal Guarantee
- The State of Wyoming can participate up to 50% of the note (as long as the State portion does not exceed \$500,000.)
- The State of Wyoming's portion of the loan shall have at a minimum, the following terms and conditions:
 1. Minimum loan fee of 1%
 2. Commitment fee of .25%
 3. Commitment period for loan disbursement not to exceed two years
 4. Interest rate shall be a minimum of 4% (to be established by the Wyoming Business Council Board for each loan)
 5. Maximum repayment term not to exceed 10 years (the note can be amortized for longer)

- Applicants should use the Wyoming Partnership Guaranteed Loan Participation Application
- Use and attach the local commercial lenders documentation checklist and all required documents.

If you have any questions please call the Wyoming Business Council Office. Point of contact for this program is:

Ben Avery
Portfolio/Loan
Program Manager
307-777-2863

National Territory for PLP Lenders and Streamlined Procedures for Approving PLP Authority

SBA continues to streamline loan programs to improve efficiency and expand customer service to lending partners and the small business community. Following discussions with the lending industry, SBA has concluded that authorizing lenders to make Preferred Lender Program (PLP) loans nationwide will enhance small business access to capital, and SBA's handling of requests by lenders for PLP status will be more timely and efficient.

Effective May 2, 2006, the geographic territory for each existing PLP lender will be nationwide. SBA lenders seeking new PLP status also will receive nationwide PLP geographic territory.

Requests by SBA lenders for new PLP authority should be submitted to the Sacramento Loan Processing Center (Center), attention Center Director, Sacramento Loan Processing Center, U.S. Small Business Administration, 501 I Street, Suite 12-100, Sacramento, CA 95814-2322 or they may be faxed to (916) 930-2406. Such requests should contain the information set forth in SOP 50-10(4), Subpart D, Chapter 3, Paragraph 2.a.

Upon receipt of a lender's request for PLP authority, the Center will compile information and aggregated data concerning the lender on a worksheet and will provide that worksheet to the Wyoming District Office and the SBA loan servicing and liquidation centers, soliciting their comments and recommendations about the lender's suitability for the PLP program. Comments concerning the request must be substantive and detailed, particularly if there is a recommendation against granting PLP authority. Also, lack of activity in, or contact with, a field office or center is not considered a basis to object to a lender's request.

The Center will analyze the lender's application package and its record as an SBA lender, as well as Wyoming District Office and servicing and liquidation center information. The Center Director will send its analysis and

recommendation to Headquarters for a final decision.

What Do Your Invoices Have in Common With Your Email?

If you do both on your computer, you may want to think more about computer security. Payroll, proprietary information, client or employee data – information is **essential** to a business's success. A computer failure or other system breach could cost a business anything from its reputation to its competitive advantage.

- ♦ A bookkeeper, described as “a family man and a good Christian”, stole \$73,000 from his employer. The theft, legal fees, and recovery fees paid to new accountants almost destroyed the 40-person firm.
- ♦ A Trojan horse, unknowingly activated by the company's owner, devastated a small consulting firm.
- ♦ A grandmother embezzled \$500,000 from her employer, a small electrical equipment supplier.

The small business owner who **recognizes the threat** of computer crime *AND* who takes steps to deter inappropriate activities is **less likely to become a victim**.

The National Institute of Standards and Technology (NIST) Computer Security Division has developed a workshop to **help the small business owner** increase information system security.

Learn how to define information security (IS) for your organization.

- ♦ Hear examples of common types of threats and understand how to determine the extent to which your organization should proactively address threats.
- ♦ Learn common Best Practices and procedures to operate more securely.
- ♦ Hear a basic explanation of current technologies used in reducing IS vulnerabilities and

learn of resources freely available to your organization.

This course is **free** and scheduled for **TWO** separate dates and locations:

June 28, 2006

8am-Noon

**Laramie Co. Community College
1400 E College Dr, Rm CCI 129
Cheyenne, Wyoming 82007**

June 29, 2006

8am-Noon

**Casper College
College Center, Rm 217
(Bldg behind Roberts Commons)
Casper, Wyoming 82601**

For additional information contact Debra Farris at 307-261-6510 and visit:

<http://csrc.nist.gov/securebiz/>

Advocacy Saves Small Business \$6.6 Billion

The Office of Advocacy, the “small business watchdog” of the government, saved small business over \$6.6 billion in fiscal year 2005. By working with federal agencies to implement the Regulatory Flexibility Act (RFA), Advocacy ensured the voice of small business was heard in the regulatory process. That effort resulted in rules which met their regulatory goals while at the same time lessening the burden on small business compared with the original proposals.

The Office of Advocacy is lives up to its reputation as a fighter for American small business. When the voice of small business is heard in the regulatory process, better decisions are made and better rules are written. By working closely with small business owners, their representatives, and with federal agencies, Advocacy shows that one-size-fits-all rules are not the best solution. Cost savings show that many times original proposed rules can impose unintended costs on America's innovative, job-creating small businesses.

Advocacy research shows that the smallest of businesses annually

spend \$7,647 per employee to comply with all federal regulations. That is 45 percent more than the \$5,282 per employee spent by firms with 500 employees or more.

The Office of Advocacy examines the role and status of small business in the economy and independently represents the views of small business to federal agencies, Congress, and the President. It is the source for small business statistics presented in user-friendly formats and it funds research into small business issues.

For more information and a full copy of the report, visit the Office of Advocacy website at **www.sba.gov/advo**.

SBA Urges Homeowners, Renters & Businesses To Face Risks & Prepare For the Inevitable Disaster

Last year hundreds of thousands of homes and businesses were destroyed, and billions of dollars were lost in the destruction caused by Hurricanes Katrina, Rita and Wilma. With the Atlantic hurricane season approaching June 1, the SBA is urging homeowners, renters and businesses across the country to take steps to protect their lives and property now.

Last year's Gulf Coast hurricanes and this year's flooding in New England are reminders that no matter where you live, there's always the potential for a major disaster. No one is insulated from the threat of losses caused by wind storms, floods and wildfires, power outages and other natural and man-made disasters. These catastrophes should remind us of the need to be prepared, to have a plan not just to survive disaster, but to recover quickly.

Disaster preparedness begins with having adequate insurance coverage – at least enough to rebuild your home and replace personal belongings. Homeowners and business owners

should review their policies to see what isn't covered. Businesses should consider "business interruption insurance," which helps to cover operating costs during the post-disaster shutdown period. Flood insurance is essential; most of the 143,000 disaster loans made by the SBA after the Gulf Coast hurricanes were for flood damage. To find out more about the National Flood Insurance Program, visit the Web site at www.floodsmart.gov.

Making sure your home or business property is less vulnerable by identifying possible hazards, developing a plan which includes establishing escape routes, keeping emergency phone numbers handy and saving copies of important business and personal records off-site are critical disaster preparedness strategies suggested by the SBA.

A University of Texas study reports that 43 percent of companies experiencing a catastrophic data loss never recover, and half of them go out of business within two years. So businesses, and for that matter anyone who owns a home computer, should back-up financial records and other vital information stored on hard drives. SCORE, a non-profit association that serves as counselors to small businesses, suggests that those files should be stored in a portable lockbox offsite, at least 500 miles away.

The good news is that there are many resources at the public's disposal to help them prepare their families and their businesses before disaster strikes. As recent history shows, it's prudent to be prepared.

More preparedness tips for businesses, homeowners and renters are available on the SBA's Web site at:

www.sba.gov/disaster_recov/prepared/getready.html. The Institute for Business and Home Safety (www.ibhs.org) also has information on protecting your home or

business. The federal government's preparedness Web site www.ready.gov is another helpful resource.

Through a partnership with the Hartford, the SBA also offers an online Webinar on preparing your business for disaster. Access the site by clicking:

www.sba.gov/training/courses.html and selecting "Surviving Beyond Disaster."

To date, the SBA has approved more than 146,500 disaster loans for \$9.54 billion to survivors of the Gulf Coast hurricanes. The SBA makes low-interest loans to homeowners, renters and non-farm businesses of all sizes following a disaster declaration by the President. Homeowners may borrow up to \$200,000 to repair or replace damaged real estate. Individuals may borrow up to \$40,000 to cover losses to personal property.

Non-farm businesses and non-profit organizations of any size may apply for up to \$1.5 million to repair or replace disaster damaged business assets and real property. Small businesses that suffered economic losses as a direct result of the declared disaster may apply for a working capital loan of up to \$1.5 million, even if the property was not physically damaged.

To learn more about the SBA's disaster assistance program, visit the Web site at :

www.sba.gov/disaster.

Wyoming Small Business 2006 Winners

The small business awards are a highlight of SBA's National Small Business celebration. The winners are selected on their staying power, growth in number of employees, increase in sales, financial condition, innovation, response to adversity and community service. Involvement with SBA is not necessary, although many of the winners have received some type of assistance

from the SBA or those partnering with it.

Wyoming's small business supporters host special events to honor and present awards to entrepreneurs and small business champions. Wyoming's winners for 2006 are:

- * Small Business Person of the Year, Mumtaz Khan, Prime Lodging, Inc., Gillette;
- * Financial Services Champion of the Year, Andrea McCall Pressee, Laramie;
- * Home-based Business Champion of the Year, Meadow Maid Foods, Mike and Cindy Ridenour, Youder;
- * Minority Small Business Champion of the Year, Nora Lyons, Cheyenne;
- * Young Entrepreneur of the Year, Table Mountain Vineyards, LLC, Patrick Zimmerer, Huntley;
- * Small Business Journalist of the Year, MJ Clark, Lander;
- * Veteran Small Business Champion of the Year, John Karabetsos, Cheyenne;
- * Women In Business Champion of the Year, Robbi Welch, Powell;
- * Family-Owned Small Business of the Year, The Plant Peddlers, Glenda Santoni and Beth Kudlak, Casper.

Please congratulate these outstanding entrepreneurs and small businesses, as they are the backbone of our nation.

UPCOMING EVENTS

- June 7** – Women's Roundtable, Casper
- June 8** – Women's Roundtable, Worland
- June 15** – Women's Roundtable, Powell
- June 20** – Women's Roundtable, Cody
- June 23-25** – Wyoming Bankers Association Convention – Casper
- June 28** – NIST Workshop – Cheyenne
- June 29** – NIST Workshop -- Casper

**Check Out SBA's
Website for Wyoming!**
www.sba.gov/wy